GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1529
ANSWERED ON:25.07.2017
Rotting Foodgrains
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Union Government is aware that foodgrains worth several metric tonnes are rotting in the godowns of Food Corporation of India (FCI) across the country, if so, the facts and details in this regard;
(b) the quantum and value of foodgrains found damaged or non-issuable in FCI godowns across the country since May, 2014 to March, 2017 and the reasons for damage;
(c) whether the Government has fixed any responsibilities on the officials involved for showing negligence in ensuring proper upkeep of foodgrains in FCI godowns;
(d) if so, the details in this regard and the steps proposed by the Union Government to check such criminal wastage of foodgrains in future; and
(e) the procedure to dispose of the damaged foodgrains in godowns declared as unfit for human consumption?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)
(a)&(b): Procured foodgrains are stored in scientific storage. Scientific codes of practices for safe storage of foodgrains are followed during storage. Inspite of all precautions, some quantity of foodgrains may get damaged/become non-issuable during storage due to various reasons such as storage pests' attack, leakages in godowns, procurement of poor quality stocks, exposure to rains, floods, negligence on the part of concerned persons in taking precautionary measures etc. The details of the quantity accrued as damaged/non-issuable and its value in Food Corporation of India (FCI) since May, 2014 to March, 2017 is as under:-
...2/-
...2...
Year
Quantity of damaged/non-issuable foodgrains
(in lakh tons)
Value of damaged/non-issuable foodgrains
(Rs. in crores)
May 2014 to March, 2015
0.19
19.73
2015-16
0.03
3.44
2016-17
0.09
9.12
Total
0.31
32.29
(c)&(d): Appropriate disciplinary action against the officials found responsible for negligence in proper preservation of foodgrains are invariably taken. Various penalties such as recovery of losses, compulsory retirement, reversion to lower post and reduction in time scale of pay etc have been imposed against the defaulters. The details of the action taken against the officials found responsible for damage to foodgrains for the last three years are as under: -
Year
No. of Officials
2014-15
77
2015-16
31
2016-17
13
Steps taken by the Government for safe storage to avoid damage are at Annex-I.
(e): Procedure for disposal of damaged/non-issuable foodgrains in FCI is at Annex-II.
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ANNEXURE-I
ANNEXURE REFERRED TO IN REPLY TO PARTS (c) & (d) OF UNSTARRED QUESTION NO 1529 TO BE ANSWERED ON 25TH JULY, 2017 IN LOK SABHA.
STEPS TAKEN BY THE GOVERNMENT AVOID THE DAMAGE OF FOODGRAINS IN STORAGE

Before the commencement of Rabi and Kharif Marketing Seasons, Ministry of Consumer Affairs, Food & Public Distribution, Department of Food & Public Distribution, Govt. of India issues uniform specifications for procurement of foodgrains for the Central Pool. These uniform specifications are circulated to F.C.I. and all State Govts./Agencies with instructions to ensure that foodgrains are procured strictly in accordance with the uniform specifications.

2. Foodgrains procured by F.C.I. and State Govts/Agencies are stored in covered godowns as well as in CAP (cover and plinth).

3. During storage, the following steps are taken for safe storage and preservations of foodgrains:

(i) All godowns are constructed as per specifications.

(ii) Foodgrains are stored by adopting proper scientific code of storage practices.

(iii) Adequate dunnage materials such as wooden crates, bamboo mats, polythene sheets are used to check migration of moisture from the floor to the foodgrains.

(iv) Fumigation covers, nylon ropes, nets and insecticides for control of stored grain insect pests are provided in all the godowns.

(v) Prophylactic (spraying of insecticides) and curative treatments (fumigation) are carried out regularly and timely in godowns for the control of stored grain insect pests.

(vi) Effective rat control measures, both in covered godowns as well as in CAP storage are used.

(vii) Foodgrains in 'Cover and Plinth' (CAP) storage are stored on elevated plinths and wooden crates are used as dunnage material. Stacks are properly covered with specifically fabricated low-density black polythene water -proof covers and tied with nylon ropes/nets.

(viii) Regular periodic inspections of the stocks/godowns are undertaken by qualified and trained staff and all senior officers. The health of the foodgrains is monitored at regular intervals by a system of checks and super checks at different levels. Following Checks and Super checks are conducted in the godowns by FCI to ensure proper preservation of foodgrains in the storage.

a. Fortnightly inspection of stocks on 100% basis by Technical Assistant.

b. Monthly inspection by Manager(QC)

c. Quarterly inspection by AGM(QC)

d. Super Checks by Regional, Zonal and FCI Hqrs Squads.

(ix) The principle of "First in First Out" (FIFO) is followed to the extent possible so as to avoid longer storage of foodgrains in godowns.

(x) Only covered rail wagons are used for movement of foodgrains so as to avoid damage during transit.

(xi) Damage Monitoring Cells have been set up at District, Regional and Zonal levels to regularly monitor quality of stocks and reduce damages.

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ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PART (e) OF UNSTARRED QUESTION NO 1529 TO BE ANSWERED ON 25TH JULY, 2017 IN LOK SABHA.

PROCEDURE FOR DISPOSAL OF DAMAGED/NON-ISSUABLE FOODGRAINS IN FCI

On identification of damaged food grains by concerned Technical Assistant at the depot the following procedure of categorization/ disposal are followed:

A. Categorization

1. The three tier categorization at Depot level, Regional level, Zonal level shall be as under:

a) On identification/categorization of damaged foodgrains by Technical Assistant/Manager (QC) at the depot, 100% stock should be further categorized by the District Categorization Committee (DCC) consisting of Area Manager, Manager (QC), District Lab, Manager (QC) of concerned depot and Manager (Fin. A/Cs) within 15 days from the date of detection/categorization of damaged foodgrains at depot.

b) Regional Categorization Committee (RCC) consisting of Assistant General Manager (QC), AGM (Fin./A/Cs) of Regional Office concerned and Area Manager/AGM (QC) of concerned District will test check 20% of the total stock categorized by the DCC.

c) Zonal Categorization Committee (ZCC) consisting of QC officers nominated by ED (Zone), AGM (QC) of R.O. & AGM (QC)/Area Manager of the concerned District will test check 5% of the stocks categorized by the DCC within 15 days from the receipt of the report from GM (Region) concerned.

d) RCC/ZCC will test check and submit the report with specific recommendations to the General Manager (Region), through their respective offices.

e) The categorization of damaged foodgrains will be deemed / treated as final only on the receipt of categorization reports of RCC & ZCC by the General Manager (Region).

2. F.C.I. Headquarters deputed Vigilance Squads in case accrual of damaged foodgrain is more than 1,000 MT in a particular Region.

Categorization of damaged foodgrains is based on the % of sound grain.

Category : %age of sound grains other than foreign matter & damaged foodgrains

Feed-I : 85% to less than 94% (in wheat)/95% (in rice)

Feed-II : 70% to less than 85%

Feed-III : 55% to less than 70%

Industrial Use : 30% to less than 55%

Manure Use : 10% to less than 30%

Dumping : less than 10% (to be offered as Manure before dumping)

...2/-

...2...

Disposal of damaged foodgrains:

(i) GM (Region) is competent Authority for disposal of damaged foodgrains for quantity where the price received in the tender/auction is above the reserve price.

(ii) Wherever, the rates of damaged foodgrains received in tender inquiry/ auction are below the reserve price, such rates shall invariably be approved by the next higher authority i.e. Executive Director (Zone).

(iii) GM. Region can dispose damaged foodgrain under Rate Running Contract but if at any time accrual is more than 500 MT, it is to be disposed off through tenders only (Copy of MTF enclosed).

(iv) F.C.I. has to confirm that the parties involving tender enquiry including State Departments and Agencies have feed stock

manufacturing plants.

(v) Besides above, Executive Director (Zone) shall be competent to take decision on extension of period for lifting of stocks by Registered Parties / RCC holders beyond stipulated period of 30 days provided the concerned parties have deposited the requisite cost of damaged foodgrains as per terms and conditions of the contract. However, this should be decided on merit of each case not in routine.

(vi) Wherever, the rates of damaged foodgrains received in tender inquiry / auction are below the reserve price, such rates shall invariably be approved by the next higher authority i.e. Executive Director (Zone).

3. RESERVE PRICES

The Reserve Price of damaged foodgrain is as under:-

(I) Feed −I - 60% of MSP of the Crop Year for Wheat.
60% of derived MSP of the Crop Year for Rice.

(II) Feed-II - 50% of MSP of the Crop Year for Wheat.
50% of derived MSP of the Crop Year for Rice.

(III) Feed-III - 40% of MSP of the Crop Year for Wheat.
40% of derived MSP of the Crop Year for Rice.

(IV) Industrial Use - 30% of MSP of the Crop Year for Wheat.
30% of derived MSP of the Crop Year for Rice.

(V) Manure - 10% of MSP of the Crop Year for Wheat.
10% of derived MSP of the Crop Year for Rice.

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